

are an incredible part of achieving what I believe His Majesty wants, which is two states living side by side in peace. Eventually there will be a peace conference, but there needs to be steps leading up to the peace conference, where all of us do our jobs about putting those institutions in place that will lead to peace, so that we all have confidence.

Listen, one of the things that we care deeply about is the plight of the Palestinian family and Palestinian people. These people live in squalor, and they're poor, and they're downtrodden. And there's nothing more that we'd like to do is to work with our friends to provide humanitarian assistance, a strong package of aid to help these poor people that have, frankly, been used as pawns in the peace process over the decades.

However, it's so important before we spend money that we're confident the money is not going to be stolen, that it be—that the anti-corruption reforms be in place. So these are all steps necessary, Steve [Steve Holland, Reuters], to get to where we want to get.

Yes, Dick [Richard Keil, Bloomberg News].

Consumer Confidence/National Economy

Q. Mr. President, are you concerned at all that consumer confidence, which came in at kind of a low number yesterday, is a harbinger of things to come, particularly as people watch their stock portfolios erode and vanish? Will this make them less likely to spend and put more pressure on the recovery?

The President. I think—look, let me just give you my own consumer confidence index. I am positive about the—our economy. I feel very optimistic about it, because I look at the facts. And the facts are that inflation is low; interest rates low; productivity is high. We're going to get a trade bill which will help, presuming the Senate acts this week. I feel strongly that they're—that having—now it turns out, having been through three quarters of negative growth, when I first came into office, we've had three quarters of positive growth. I think that's the right trend, Dick.

So I'm optimistic about this, and I think when the American people take a look at the facts and are confident about those facts, like

I am, they will—they're going to realize we've got a bright future ahead of us. And I am upbeat. And I think most of the people around this table are upbeat about the prospects for people being able to find work.

Thank you all.

NOTE: The President spoke at 11:34 a.m. in the Cabinet Room at the White House. During the exchange, a reporter referred to Minister of Foreign Affairs Marwan Muasher of Jordan.

Message to the Senate Transmitting the Protocol To Amend the International Air Carriage Rules Convention

July 31, 2002

To the Senate of the United States:

I transmit herewith, for Senate advice and consent to ratification, the Protocol to Amend the Convention for the Unification of Certain Rules Relating to International Carriage by Air Signed at Warsaw on October 12, 1929, done at The Hague September 28, 1955 (The Hague Protocol). The report of the Department of State, including an article-by-article analysis, is enclosed for the information of the Senate in connection with its consideration of The Hague Protocol.

The Warsaw Convention is the first in a series of treaties relating to international carriage by air. The Hague Protocol amended certain of the Warsaw Convention articles, including several affecting the rights of carriers of international air cargo. A recent court decision held that since the United States had ratified the Warsaw Convention but had not ratified The Hague Protocol, and the Republic of Korea had ratified The Hague Protocol but had not ratified the Warsaw Convention, there were no relevant treaty relations between the United States and Korea. This decision has created uncertainty within the air transportation industry regarding the scope of treaty relations between the United States and the 78 countries that are parties only to the Warsaw Convention and The Hague Protocol. Thus, U.S. carriers may not be able to rely on the provisions in the Protocol with respect to claims arising from the transportation of air cargo between the

United States and those 78 countries. In addition to quickly affording U.S. carriers the protections of those provisions, ratification of the Protocol would establish relations with Korea and the five additional countries (El Salvador, Grenada, Lithuania, Monaco, and Swaziland) that are parties only to The Hague Protocol and to no other treaty on the subject.

A new Convention for the Unification of Certain Rules for International Carriage by Air, done at Montreal May 28, 1999 (the "Montreal Convention") is pending on the Senate's Executive calendar (Treaty Doc. 106-45). I urge the Senate to give its advice and consent to that Convention, which will ultimately establish modern, uniform liability rules applicable to international air transport of passengers, cargo, and mail among its parties. But the incremental pace of achieving widespread adoption of the Montreal Convention should not be allowed to delay the benefits that ratification of The Hague Protocol would afford U.S. carriers of cargo to and from the 84 countries with which it would promptly enter into force.

I recommend that the Senate give early and favorable consideration to The Hague Protocol and that the Senate give its advice and consent to ratification.

George W. Bush

The White House,
July 31, 2002.

**Notice—Continuation of the
National Emergency With Respect to
Iraq**

July 30, 2002

On August 2, 1990, by Executive Order 12722, President Bush declared a national emergency with respect to Iraq pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701–1706) to deal with the unusual and extraordinary threat to the national security and foreign policy of the United States constituted by the actions and policies of the Government of Iraq. By Executive Orders 12722 of August 2, 1990, and 12724 of August 9, 1990, the President imposed trade sanctions on Iraq and blocked

Iraqi government assets. Because the Government of Iraq has continued to engage in activities hostile to U.S. interests, the national emergency declared on August 2, 1990, and the measures adopted on August 2 and August 9, 1990, to deal with that emergency must continue in effect beyond August 2, 2002. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing for 1 year the national emergency with respect to Iraq.

This notice shall be published in the *Federal Register* and transmitted to the Congress.

George W. Bush

The White House,
July 30, 2002.

[Filed with the Office of the Federal Register,
10:51 a.m., July 31, 2002]

NOTE: This notice was released by the Office of the Press Secretary on August 1, and it was published in the *Federal Register* on August 1.

**Letter to Congressional Leaders on
the Continuation of the National
Emergency With Respect to Iraq**

July 30, 2002

Dear Mr. Speaker: (Dear Mr. President:)

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Iraq emergency is to continue in effect beyond August 2, 2002, to the *Federal Register* for publication. The most recent notice continuing this emergency was published in the *Federal Register* on August 1, 2001, (66 *Fed Reg.* 40105).

The crisis between the United States and Iraq that led to the declaration of a national emergency on August 2, 1990, has not been resolved. The Government of Iraq continues